

Social Rationality of Islamic Management: Reevaluation of Relationship-Oriented Management

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Abstract

This paper examines the characteristics of Islamic management from a cultural point of view, focusing on its style of relationship-oriented management, which is considered in contrast to business-oriented management. Relationship-oriented Islamic management is based on *Shari'a*, i.e., Islamic Law, which demonstrates the means for each person to rationally build relationships with others, who are different from each other in various ways. Thus, the paper presents the importance of partnership for Muslims and then examines partnerships between capitalists and business operators, men and women, Muslims and non-Muslims, the commercial and non-profit sectors, and so on. It further explains the social function of gift economy in Islam and its institutions such as Zakat Fund. The paper concludes that relationship-oriented management, though it tends to have been considered as inefficient, should be reevaluated as a socially rational management for reconstructing every society in the world, which has lost the original dynamism of the market with society-organizing power.

Key words: Islamic Management, *Shari'a*, relationship-oriented management, Transcultural Management, Partnership, gift-economy